



Pam Curtis, CEO

Pam Curtis
Chief Executive Officer, Senior Resources of West Michigan
Michigan House of Representatives
Energy & Technology Committee

Chairman Nesbitt and distinguished members of the Energy and Technology Committee of the Michigan House of Representatives, my name is Pam Curtis and I am submitting these comments in my role as Chief Executive Officer of Senior Resources of West Michigan, a Muskegon-based Area Agency on Aging.

Since 1973, Senior Resources has been providing services that help promote the independence of older persons in Muskegon, Oceana and Ottawa counties. Our mission compels us to focus on older person in the greatest needs but to advocate for all.

It is that spirit that compels me to submit this perspective.

Last year, Governor Snyder correctly identified energy affordability as one of his top concerns. His special message on energy and the environment set the stage for a series of forums conducted and recently concluded by Michigan Public Service Commission Chairman John Quackenbush and Michigan Energy Office Director Steve Bakkal..

Individuals on fixed incomes are among those likely to be most affected by the most extreme proposals being put forth in the dialogue about Michigan's future energy policy and specifically the examination of Public Act 286

Thanks to Public Act 286, participation in Michigan's Electric Choice Program is currently limited. There are those who are talking in terms of expanding access and providing larger numbers of businesses to purchase their electricity from a non-utility energy provider.

Senior Resources of West Michigan serving Muskegon, Oceana and Ottawa Counties
An Area Agency on Aging
560 Seminole Road, Muskegon, MI. 49444
Phone: 739-5858 Toll Free: 1-800-442-0054
www.seniorresourceswmi.org

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My concern is that the costs “left behind” by those who might migrate to Electric Choice will inevitably slide back to the incumbent utilities’ remaining customers.

In that event, senior citizens will find themselves shouldering higher rates.

From all that I have heard, the very largest energy users who are currently enrolled in the Electric Choice Program are effectively avoiding hundreds of millions of dollars in utility costs. The burden of these costs have effectively been transferred to residential customers and small business customers.

Part of Public Act 286 eliminated the cross subsidization among utility customer segments. It used to be that industrial and other commercial customers paid artificially higher rates so that residential customers could pay a lower rate.

Under the current system of Electric Choice, the preferential rates enjoyed by a very small group of large electricity users are effectively being “subsidized” by everyone else. If it’s not fair to charge business higher rates so that residential customers can pay lower rates, it is just as unfair to expect Michigan’s residents, especially Michigan’s fixed-income and low-income senior citizens, and small businesses to pay higher rates so that a small group of customers can pay less.

I encourage you, your colleagues and the members of the Legislature to bear this in mind we go forward.

Thank you for the opportunity to comment on this very important issue.